

Press Clipping Article

Title: Fletcher to attend biodiesel plant groundbreaking

Date: 05/11/2006

Source: Messenger-Inquirer (Owensboro)

Writer: Keith Lawrence

Lead:

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Gov. Ernie Fletcher is scheduled to be in Owensboro on May 18 for a 3:15 p.m. groundbreaking at Owensboro Grain's planned 50 million-gallon biodiesel plant on Ewing Road.

Company official have estimated the cost of the project at \$22 million.

The biodiesel plant, which will create 10 to 15 jobs, will be financed in part by a grant from the Kentucky Agriculture Development Board and a low-interest loan from the Agriculture Finance Corp.

John Wright, Owensboro Grain's vice president of strategic planning and development, said the facility should be in full operation by mid-2007.

"We have selected a European process technology that will not only provide us the ability to meet today's American fuel-quality standard but will provide us the capability to meet evolving standards of tomorrow," Wright said in a news release.

Owensboro Grain, which celebrates its centennial this year, produces 75 million gallons of soy oil a year.

It will use vegetable oil from soybeans grown in Kentucky and southern Indiana to make biodiesel.

The plant will be next to the company's vegetable oil refinery on Ewing Road.

Kentucky produces 54 million bushels of soybeans annually with 11 pounds of oil processed from each bushel, the company said in a news release.

"We are extremely excited about Owensboro Grain's plans to construct a 50-million-gallon biodiesel plant," Dennis Clark, president of the Kentucky Soybean Association, said in a

prepared statement.

"It will not only benefit soybean producers and biodiesel consumers around the Southeast but will be readily available in western Kentucky -- which will help reduce our transportation costs," Clark said. "Fuel distributors will be able to obtain soy biodiesel made right here in Kentucky."

There are currently 53 biodiesel plants in operation in the United States with 40 more planned, Owensboro Grain said.

National biodiesel production is expected to reach 150 million gallons this year -- double last year's 75 million gallons, the company said.

"Americans are recognizing that conservation and alternative energy are a big part of the answer to our energy questions," Joe Jobe, CEO of the National Biodiesel Board, said in a prepared statement. "With biodiesel, we can supplement our energy supply immediately."

Biodiesel is a renewable fuel source derived from vegetable oil and/or animal fats. It is primarily used as a blend in diesel fuel across the country, Owensboro Grain said.

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Generated Date: 5/17/2006 12:33:28 PM